



C/015/032 Incoming

#3703

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P.O. Box 910, East Carbon, Utah 84520 794 North "C" Canyon Rd, East Carbon, Utah 84520
Telephone (435) 888-4000 Fax (435) 888-4002

Daron Haddock
Permit Supervisor
Utah Division of Oil, Gas and Mining
P.O. Box 145801
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

November 30, 2010

Re: Crandall Canyon Mines, C/015/032
Response to Division Order 10A
Paragraph IV, Item 1

Dear Mr. Haddock:

Enclosed are six (6 ea.) copies of the response to Division Order 10A, paragraph IV, Item 1, according to the Revised Stipulation, dated November 4, 2010. This response consists of an amendment to Appendix 7-65, involving submittal of as-built drawings of the operational water treatment facility, and costs (capital, operational, maintenance) associated with the facility. It is important to note that these costs cannot be construed as representative of future treatment costs, given the emergency nature and "trial-and-error" nature of the development of the facilities to date (as described in detail in this amendment), and given the uncertainty of water treatment requirements in the future. The costs have been addressed in the amendment, as required, and a more detailed breakdown of those costs are attached to this letter.

If you have any questions or comments regarding this submittal please contact me at 435 888-4017.

Sincerely,

David Shaver
Resident Agent

cc: Denise A. Dragoo, Esq.

File in: C/0150032 Incoming
Date 11/30/2010 Refer to:
☐ Confidential
☐ Shelf
☒ Expandable
For additional information

RECEIVED
NOV 30 2010
DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

Permit Change ☐New Permit ☐Renewal ☐Transfer ☐Exploration ☐Bond Release ☐

Permit Number: 015/032

Title of Proposal Response to Division Order DO10A, paragraph IV, item 1

Mine: Crandall Canyon Mines

Permittee: GENWAL Resources, Inc.

Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

- | | | |
|---|--|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice/publication? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

☐ Attach 3 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Signed - Name - Position - Date

Subscribed and sworn to before me this 30th day of November 2010

My Commission Expires:
Attest: STATE OF
COUNTY OF

Notary Public



MARY V. KAVA
NOTARY PUBLIC • STATE OF UTAH
COMMISSION # 574260
COMM. EXP. 05-16-2012

Received by Oil, Gas & Mining

RECEIVED**NOV 30 2010****DIV. OF OIL, GAS & MINING**

ASSIGNED TRACKING NUMBER

Title of Application: Response to Division Order DO10A, paragraph IV, item 1

Permit Number: 015/032

Mine: CRANDALL CANYON MINES

Permittee: GENWAL RESOURCES

DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED

[illegible]

Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

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NOV 30 2010

DIV. OF OIL, GAS & MINING